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HR-1-1170

Approved For Release 2002/08/21 : CIA-RDP80R01731R003400060004-9

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19 July 1950

MEMORANDUM FOR: Management Officer

SUBJECT: Realignment of Certain Agency Functions

REFERENCE: Management Officer's Circular Dated 6 July

1. We have no objections to these realignments of agency functions but think some of the following points should be given consideration:

2. We are not too happy about OI-XI joint control of requirements, but they say it can work. We doubt the efficiency of a requirements group going in for the assignment of collection action. We think they could recommend sources to our collection office, which apparently will be OO, and that that office must determine the best way to fulfill the requests made upon it.

3. We see no objection at this time to giving all [redacted] overt collection to OO, i.e. collecti [redacted]

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[redacted] It must NOT, however, be designated the "Office of Overt Collection" as that too pointedly emphasizes that we have an office of covert collection also. Also, if the NSC-50 Plan should ever be revived for our Office of Operations the present OO, with these new functions, should not be included therein. Let it now be changed and called just the Office of Collection, as all its "operations" are some sort of collecting activity. "Presentations" could also be "collecting" oral information.

4. The new Office of Collection should also pay attention to CIA's coordinating functions in the field of collecting information of intelligence value, as CIA's production offices do in the field of producing National Intelligence. This will develop through assigning collection activities to the various outside collectors and knowledge of their capabilities, and through familiarity with the requests (i.e. "requirements") it receives. State has long-established procedures, and CONFIDENTIALLY I've been told by Mr. Grilley, Chief of the Division of Foreign Reporting Services, that he would welcome a close tie-in with CIA. Theoretically, we have to work through Mr. Strong in IAD of Mr. Armstrong's office, which we should not by-pass; but maybe in time we can get more CIA ideas through to Mr. Grilley.

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5. Once these "realignments" are made, let's stop re-organizing CIA for twelve consecutive months. We re-organize ourselves and the outside agencies also re-organize us. It's a new Agency, I admit, but let's let it work for a while without interruptions and without devoting hundreds of manpower hours and taxpayers' dollars to new schemes and change for the sake of change. Whatever system we have will not be perfect, but with experience it will certainly improve, if given time enough to gain experience!

PRESCOTT CHILDS, Chief
Coordination, Operations
and Policy Staff

Distribution:

Acting Executive
AD/OCD
AD/OC

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17 July 1950

MEMORANDUM FOR: Mr. Childs

SUBJECT: Comments on realignment of certain Agency functions

1. On the whole, this proposal has much merit toward strengthening CIA.

2. One of its major weaknesses is the assignment of requirements coordination to a "joint control" of ORE and OSI. Such a control is no control without specific recognition of responsibility.

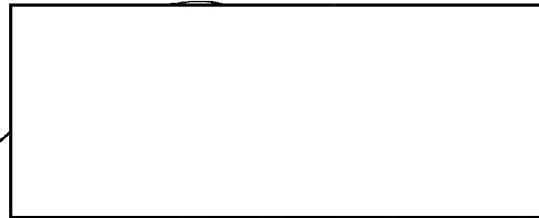
Ballitt
says this
is working
OK

3. These suggested changes should be premised upon larger organizational responsibilities. For example, the problem of "joint control" of requirements may be eliminated by a revamping of our production office, where scientific, economic, political may be segments of one office rather than separate and independent offices, as they are today.

→ Ballitt thinks
OSI's
subjects
+ its work
with RDB
is better
in a separate
office 25X1
Once it was
an ORE Branch
you will recall

4. Furthermore, Page 3 says: "It is envisaged that ultimately all overt collection will be located in one office." Why postpone the decision for "ultimate" implementation? Face this issue squarely now regarding responsibility for coordination of all overt collection.

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10 July 1950

MEMORANDUM FOR: Assistant Director for Collection and Dissemination
Assistant Director for Reports and Estimates
Assistant Director for Scientific Intelligence
Assistant Director for Operations

Assistant Director for Policy Coordination
Chief, Inspection and Security Staff
Chief, Special Support Staff
Chief, Coordination, Operations and Policy Staff ✓

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SUBJECT: Realignment of Certain Agency Functions.

1. There is attached hereto a copy of a proposed plan recently submitted to the Acting Executive concerning realignment of certain Agency Functions. The Acting Executive has approved our request for coordination of the plan.

2. It is requested that you review the plan and submit your comments or concurrence to this office by 26 July 1950.

Management Officer

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Attachment: Plan re Realignment of Certain Agency Functions.

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Acting Executive

3 July 1950

Management Officer

Proposed Plan for Realignment of Certain Agency Functions

1. There is attached hereto a draft of a proposed plan for the realignment of certain Agency functions based on studies made by this office and comments received from various operating officials. Briefly the plan proposes the following changes:

a. Redesignate Office of Collection and Dissemination as Office of Reference and Dissemination.

b. Transfer function of coordination of requirements and assignment of collection action from OCD to joint control of ORE and OSI.

c. Transfer function of collection of material from other government agencies from OCD to OO.

d. Transfer ORE presentation function to OO.

e. Transfer function of governmental liaison control and records from OCD to I&SS.

f. Redesignate Office of Operations as Office of Overt Collection.

g. Transfer function of administrative machine records support from OCD to SSS.

2. It is our belief that the proposal submitted has been soundly conceived and that if adopted will result in more efficient and effective Agency operations.

3. Request authority to coordinate the proposed plan with all interested components of the Agency.

JAMES D. ANDREWS

Encl: Proposed Plan

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PROPOSED PLAN FOR REALIGNMENT OF CERTAIN AGENCY FUNCTIONS

1. A series of Management Staff studies of CIA operations undertaken within the past year disclose that serious deterrents to operating efficiency could be removed by realignment of Agency functions. Therefore, it is recommended that the Office of Collection and Dissemination be redesignated the Office of Reference and Dissemination and that the major functions listed below be transferred as indicated.

2. Coordination of information requirements and assignment of collection action from OCD, Liaison Division, to joint control of the requirements Staffs of the Assistant Directors of ORE and OSI.

Discussion: The functions of coordinating requirements and assigning collection action are so closely integrated that they can properly be considered as a single function. Experience has shown that requirements have been most easily satisfied when informal liaison with the collecting agency is possible in the initial stages of requirements formulation. The timing of requirements, as well as the information to be collected, must be evaluated for collectability by the collector. In many cases, the collector is the dominating factor as to whether certain information can be obtained and should be formalized as a requirement. Full coordination of requirements in the production offices will, as a matter of course, provide for the participation of OO and SO in the requirements activity. Also, it is anticipated that the requirements coordination activity will encompass, in varying degrees, participation of both intelligence contributors and information collectors of all the agencies represented

on the IAC. Thus, collection action will be effected on an agree-
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ment basis as well as on an assignment basis. As a joint responsibility of ORE and OSI, each requirement will be processed by the Agency component who is most interested in obtaining the necessary information for the proper evaluation of intelligence, with such requesting component being empowered to negotiate directly with the collecting facilities at an early stage of requirement formulation.

Further, there will be one less echelon in the requirements process. Experience has indicated that for every additional echelon between the formulation of a request and the completion of the action, the basic information desired is adulterated and possibly weakened. Also, the time taken to effect completed action on a requirement is lengthened by the additional processing required.

Under normal circumstances, the Management Staff would rarely recommend that a major function be placed under joint control of two Assistant Directors. In this case, however, it appears workable because scientific requirements are primarily generated in the Scientific Intelligence Committee. Thus, except in isolated instances, all requirements of OSO, OPC, OO, and other intelligence Agencies referred for coordination will fall within the jurisdiction of ORE and can be directly routed to this Office for action. Coordination of ORE and OSI requirement activity can be enhanced by installation of uniform procedures and by physically locating these two Staffs in adjoining space.

3. Collection of intelligence materials available in operating units of other government agencies from OCD, Liaison Division, and from ORE, Presentation Division, to Office of Operations.

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Discussion: The overt collection function of this Agency has been divided between several collection activities located in different Offices. It is envisaged that ultimately all overt collection will be located in one Office. The transfers proposed in this paragraph for immediate action would bring together all overt collection activity with the exception of the OSI Interrogation Team. It is possible that this OSI activity could also be transferred to OO in the near future. Then, the Office of Operations could be renamed the Office of Overt Collection.

There is a very important further point to be considered in conjunction with assignment of the overt collection function. It is one thing to collect material, record it, index it, and place it on shelves for future reference. It is a quite different proposition to collect intelligence materials analyze, select, and edit the information and prepare information reports from these materials in satisfaction of information requirements of the production analysts. Also, OO, who is now CIA's primary overt collection facility, has the experience, resources, and capabilities to effect a better collection action than OCD, ORE, or OSI for whom overt collection is a secondary responsibility.

4. Governmental liaison controls and records from the Liaison Division, OCD, to Inspection and Security Staff.

Discussion: Primary Agency control of official liaison of CIA employees with employees of other government agencies is vested in I&SS, who in the final instance determines from a security standpoint whether liaison contact may be established and continued. Therefore,

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it would appear logical that I&SS should approve or disapprove original contacts, should supervise liaison establish on a continuing basis, and should maintain the control registers. Through functional realignments suggested above, which group like functions under one office, the instance of duplication of contacts between Offices would be negligible. The Assistant Directors, as part of their administrative duties, are presently controlling duplication of contacts between divisions of their Offices and other agencies of the Government.

5. Machine records support for administrative operations from Machine Methods Division, OCD, to the Special Support Staff.

Discussion: It is a known fact that economy and efficiency can be obtained from centralization of like machine records activities. It is wholly reasonable that the Offices in L and K Buildings do not wish another office to handle their very sensitive T/Os, rosters, etc. Conversely, the other parts of the Agency could have no objection to having their administrative activities handled by a more sensitive operation in CIA. Thus, it is proposed that all the machine records support relating to administrative matters be located in L Building and handled by employees whose security clearances are acceptable to OPC, OSO and the Advisory Council. All substantive support will be retained by OCD.

6. The mission of the Office of Reference and Dissemination would embrace the two functions implied in the new name. It would be wholly responsible for the maintenance of library and reference materials such as those now held in the Library, the Biographic Division, the Industrial Division, and the Graphics Division. As part of this reference function

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it would perform certain collection activities. However, it would be a clear-cut document-type collection activity based on the fact that the materials being collected are reference materials and not a directed collection activity in the sense that OO and OSO conduct collection. Also, it would maintain the Agency archives, the records management program, courier and messenger service, the clipping service and all such common-type services as it is now rendering. Likewise, centralized machine records support to the substantive intelligence operations of the Agency would remain the responsibility of ORD. Exclusive responsibility for the dissemination function in the Agency would constitute the second major phase of the ORD mission. It is anticipated that this function can be further centralized and become of greater service to the Agency by elimination of duplicate dissemination activities in other CIA Offices and by placing greater responsibility with disseminators for the selection of intelligence materials to be routed to CIA components. (Now in process)

7. It is felt that while some of these activities are affected by the pending decision on NSC 50, most of these suggested changes can be effected without reference to NSC 50. However, I should like to make it a matter of record at this time that should this proposal be implemented and subsequently NSC 50 should be returned to CIA directing consolidation of SO, OPC, and OO/C this Office would urge that OO/C not be incorporated into the L Building consolidation. An Office of Overt Collection, as described in this proposal, would be quite different from the activities of an Office of Covert Collection and It is believed 25X1 that CIA could operate more effectively by maintaining an Office of Overt Collection.

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